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# GAIN Report

Global Agricultural Information Network

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## Chile

**Post:** Santiago

### Chile's Top Beer Imports Come from Mexico and the U.S.

**Report Categories:**

Agriculture in the News

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**Report Highlights:**

Mexican beer Corona captures US\$12 million of the Chilean beer market.

**General Information:**

The growing popularity of Chile's annual beer festival, timed to coincide with international Oktoberfest celebrations, reflects the expanding market for imported beer in Chile.

Between January and August 2011, beer imports rose 7 percent over the same period in 2010, totaling US\$33 million or 10 million gallons, according to the Santiago Chamber of Commerce (CCS).

Of total imports, 44 percent came from Mexico, 22 percent from the United States, and 19 percent from Argentina.

The growth in imports from Mexico is principally due to increased consumption of one of its most popular beers, Corona. Sales of the popular brand totaled US\$12 million during the first eight months of the year, up 47 percent from the same period a year earlier. In Chile, the Mexican beer is imported and distributed by the DESA company, also representing the energy drink Red Bull and Jack Daniel's whiskey.

The president of DESA, Rodrigo Oyanedel, mentioned that Corona has maintained high growth rates in the country because pilsners and light beer seem to have struck a note with the Chilean taste buds. By 2015, the company expects sales to jump from the current level of 3.3 million cases to five million cases.

Chilean beer producers are also branching out and importing foreign brands. For example, the English language newspaper, the Santiago Times reports that Cerveceria Chile, the second largest brewer in the country. The company, which is owned by the multinational Anheuser-Busch InBev (ABInBEV), has increased imports by 35 percent since January, when it began importing the Becker brand from Germany.

At the same time, in 2011 distributors in Chile reduced imports from neighboring countries, which include brands such as the Argentine brews Baltica (down 31 percent) and Quilmes (off 20 percent), and the Bolivian beer Paceaña (down 7 percent). According to the newspaper El Mercurio, the apparent drop in imports is skewed by the one-time increased of imports in 2010 to make-up for the shortfall due to earthquake-related damages to local beer production.

CCU, the largest beer company in Chile, (owned by the Heineken and Luksic groups) is responsible for 82 percent of the national beer market, selling the market leader Cristal and similarly popular Escudo.

The CCU reports that in 2010 Chileans consumed an average of 10 gallons of beer, representing an average annual increase of 4.7 percent since 2002.

